

## Message Text

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PAGE 01 JIDDA 08858 280858Z  
ACTION NEA-10

INFO OCT-01 ISO-00 EB-08 SSO-00 /019 W  
-----020960 280900Z /17

O 280730Z DEC 77  
FM AMEMBASSY JIDDA  
TO SECSTATE WASHDC IMMEDIATE 579  
USDOC WASHDC IMMEDIATE  
TREASURY DEPT WASHDC IMMEDIATE  
AMCONSUL DHAHRAN  
USLO RIYADH

C O N F I D E N T I A L JIDDA 8858

TREASURY FOR OSAA  
COMMERCE FOR CAGNE

E.O. 11652: GDS  
TAGS: BEXP, ENRG, SA, US  
SUBJECT: MAJOR PROJECT: ELECTRICAL SYSTEM MANAGEMENT CONTRACT  
FOR WESTERN (RED SEA) REGION

REF: RIYADH 398

1. EMBASSY JIDDA TRANSMITS FOLLOWING MESSAGE FROMUSREP WITH  
COMMENT BELOW:

2. DISCUSSIONS BETWEEN USREP AND C.T. MAIN PROJECT MANAGER  
CAMPBELL HAVE PROVIDED DETAILS CONCERNING RECOMMENDATIONS HE  
WILL SUBMIT TO MINISTER AL GOSAIBI ON DEVELOPMENT OF AN  
ELECTRICITY SYSTEM FOR WESTERN (RED SEA) REGION, INCLUDING  
MANAGEMENT SERVICE CONTRACTORS.

3. CAMPBELL NOTED THAT MINISTER AL-GOSAIBI BROUGHT UP  
NEED FOR AN OUTSIDE ORGANIZATION TO MANAGE PROPOSED WESTERN  
REGION SYSTEM IN VIEW OF EXTREME SHORTAGE OF QUALIFIED  
MANAGEMENT PERSONNEL IN THE KINGDOM. AL-GOSAIBI SAID HE  
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PAGE 02 JIDDA 08858 280858Z

PREFERRED TO HAVE A GOVERNMENTAL UTILITY ORGANIZATION OR  
POSSIBLY A PRIVATE UTILITY BUT NOT A CONSULTANT FIRM DO  
THE JOB. SINCE ELECTRICO (EASTERN REGION) AND MINISTRY OF  
INDUSTRY AND ELECTRICITY ARE ALREADY USING BRITISH  
ELECTRICITY BOARD AND ELECTRICITE DE FRANCE FOR MANAGEMENT  
SERVICES, AND THESE AS WELL AS OTHER NON-U.S. ORGANIZATIONS  
ARE PRESSING HARD TO GET MANAGEMENT CONTRACTS, CAMPBELL

WILL HAVE TO INCLUDE THESE ENTITIES IN HIS JANUARY 15  
REPORT AS POTENTIAL MANAGERS FOR THE WESTERN REGION SYSTEM.

4. CAMPBELL, USREP AND EMBASSY SEE IN AL-GOSAIBI'S REQUEST  
TO C.T. MAIN AND IN THE REPORT TO BE SUBMITTED A SIGNIFICANT  
OPPORTUNITY TO MAKE A FORCEFUL CASE TO THE MINISTER THAT  
THERE ARE RESOURCES IN U.S. PUBLIC AND PRIVATE SECTORS TO  
PROVIDE THE SERVICES HE SEEKS. AL-GOSAIBI MADE CLEAR THAT  
HE WANTED C.T. MAIN'S RECOMMENDATIONS FOR MANAGEMENT  
CONTRACTORS IN THE JAN 15 REPORT. FAILURE TO DO SO  
WOULD NOT ONLY BE UNRESPONSIVE TO AL-GOSAIBI'S REQUEST BUT  
WOULD ALSO LEAVE FIELD TO NON-U.S. ORGANIZATIONS. CAMPBELL  
FEELS STRONGLY, AND WE AGREE, THAT IT IS IMPORTANT FOR  
C.T. MAIN TO DO ITS BEST TO RESPOND TO AL-GOSAIBI'S  
REQUEST IN THE TIME PERIOD HE SPECIFIED. THIS CAN BE  
IMPORTANT FOR ENCOURAGEING MINISTER TO COME TO THE U.S.  
FOR ASSISTANCE OF THIS KIND RATHER THAN TO TO THE BRITISH,  
FRENCH, CHINESE AND OTHERS AS HE HAS IN THE PAST.

5. THEREFORE, CAMPBELL PLANS TO INCLUDE IN HIS REPORT  
A STRONG STATEMENT THAT THE U.S. PRIVATE SECTOR HAS THE  
RESOURCES TO THE MANAGEMENT JOB SOUGHT BY SAG AND THAT  
THE QUALIFIED ORGANIZATIONS NEED NOT BE RESTRICTED TO  
UTILITIES. HE WOULD STATE THAT PRIVATE FIRMS SUCH AS  
CHAS. T. MAIN AND OTHERES HE WOULD LIST (E.G., HARAZA  
ENGINEERING) WOULD BE IN A POSITION TO PROVIDE THE  
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PAGE 03 JIDDA 08858 280858Z

MANAGEMENT SERVICES. HW WOULD ALSO LIKE TO INCUDE IN  
THE LIST THE NAMES OF QUALIFIED PUBLIC OR PRIVATE UTILITIES  
AS WELL AS THOSE OF ANY OTHER PRIVATE FIRMS WASHINGTON  
MIGHT BE ABLE TO SUPPLY. HW WOULD ALSO BE WILLING TO  
STATE THAT WASHINGTON WOULD BE ABLE TO PROVIDE A MORE  
COMPLETE AND DEFINITIVE LIST IF MORE TIME WERE ALLOWED TO  
DEVELOP A SCOPE OF WORK BASED ON THE REPORT ITSELF AND  
TO PREPARE A REQUEST FOR PROPOSALS (RFP) WHICH COULD BE  
CIRCULARIZED AMONG ALL THE INTERESTED U.S. ORGANIZATIONS.

6. CAMPBELL REITERATED THAT AS PROJECT MANAGER OF  
MAIN-TREASURY CONTRACT, HE WISHES TO COORDINATE PREPAR-  
ATION OF THE REPORT IN RIYADH AND WILL STAY CLOSE  
TOUCH WITH USREP REGARDING INCLUSION OF RECOMMENDED U.S.  
MANAGEMENT ORGANIZATIONS. CAMPBELL HAS NO OBJECTION TO  
DISCUSSING THE PROJECT AND THE REPORT WITH CHARLES T.  
MAIN HEADQUARTERS IN BOSTOM. HOWEVER, BECAUSE OF  
SENSITIVITY OF REPORT AND SAG WISH THAT ENTIRE PROJECT  
BE HELF CONFIDENTIAL, CAMPBELL REQUESTS THAT THESE  
DISCUSSIONS BE HELD ONLY WITH C.T. MAIN PRESIDENT ZAMBOTTI  
OR VICE PRESIDENT HOWARD BARNES.

7. COMMENT: EMBASSY BELIEVES STRONGLY THAT INTENTION APPARENTLY OF C.T. MAIN PROJECT MANAGER CAMPBELL TO INCLUDE HIS OWN FIRM AMONG LIST OF RECOMMENDED MANAGEMENT SERVICES IS IMPROPER. ONLY EXCEPTION WE WOULD SEE TO THIS INCLUSION WOULD BE INVITATION FROM MINISTER AL-GOSAIBI HIMSELF THAT C.T. MAIN BE INCLUDED OUR OWN UNDERSTANDING IS THAT MINISTER EXPRESSED INTEREST EARLIER IN OBTAINING SERVICES OF PUBLIC UTILITIES POWER AUTHORITY, SPECIFICALLY CITING TENNESSEE VALY AUTHORITY (TVA) AS EXAMPLE, WE CAN THINK OF OTHERS, INCLUDING COLORADO RIVER AUTHORITY (TEXAS) WHICH COULD POSSIBLY OFFER THE TYPE SERVICES AL-GOSAIBI SEEKS. EMBASSY URGES THAT DEPT CONTACT PUBLIC POWER AUTHORITIES AND MANAGEMENT SERVICES FIRMS WITH EYE TO ASSISTING USREP AND  
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PAGE 04 JIDDA 08858 280858Z

C.T. MAIN IN PREPARING REPORT AND RECOMMENDATIONS AS EXPEDITIOUSLY AS POSSIBLE.  
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## Message Attributes

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**Disposition Date:** 22 May 2009  
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